A Briefing Session
for the application of
TSSSU@HKU 2018/19

September 14, 2017
TSSSU@HKU 2018/19

• Technology Startup Support Scheme for Universities at HKU
  ❖ HK$4 million per year from ITC

• This is the 2nd TSSSU triennium
  ❖ from 2017/18 to 2019/20 government financial years

• Purpose – to encourage technology start-up, especially among young people

• Based on “ITC Guidelines on Technology Start-up Support Scheme for Universities”
<table>
<thead>
<tr>
<th>Name of TSSSU Awardees</th>
<th>Category</th>
<th>Business</th>
<th>Founders</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hong Kong Unific Publishing Limited</td>
<td>IT &amp; Engineering</td>
<td>e-Textbook for primary and secondary schools</td>
<td>Professor from the Department of Electrical and Electronic Engineering, Faculty of Engineering</td>
</tr>
<tr>
<td>Living Tissues Co. Ltd.</td>
<td>Biotech</td>
<td>solving musculoskeletal problems by providing regenerative tissues for cartilage repair</td>
<td>Professor from the Department of Mechanical Engineering, Faculty of Engineering</td>
</tr>
<tr>
<td>OrthoSmart Limited</td>
<td>Biotech</td>
<td>correction of abnormal curvatures of the spine by using specially tailored super-elastic nickel titanium rods</td>
<td>Professor from the Department of Orthopedics &amp; Traumatology, LKS Faculty of Medicine</td>
</tr>
<tr>
<td>Immuno Cure Limited</td>
<td>Biotech</td>
<td>Development of human-PD-1 based HIV vaccines.</td>
<td>Professor from the Aids Institute, LKS Faculty of Medicine</td>
</tr>
<tr>
<td>Accosys Limited</td>
<td>IT &amp; Engineering</td>
<td>Provision of AI-enabled chatbot services</td>
<td>Professor from the Department of Electrical and Electronic Engineering, Faculty of Engineering</td>
</tr>
<tr>
<td>CISC Limited</td>
<td>IT &amp; Engineering</td>
<td>Provision of cyber intelligence and cyber security consulting</td>
<td>Professor from the Department of Computer Science, Faculty of Engineering</td>
</tr>
<tr>
<td>Conzeb Limited</td>
<td>IT &amp; Engineering /Biotech</td>
<td>high speed imaging for cancer diagnostics</td>
<td>Professor from the Department of Electrical and Electronic Engineering, Faculty of Engineering</td>
</tr>
<tr>
<td>EN Technology Limited</td>
<td>IT &amp; Engineering /Biotech</td>
<td>Novel encapsulation technologies for food and cosmetics industries</td>
<td>Professor from the Department of Mechanical Engineering, Faculty of Engineering</td>
</tr>
<tr>
<td>Eonzen Technology Co Ltd</td>
<td>IT &amp; Engineering</td>
<td>non-invasive blood glucose monitoring</td>
<td>Professor from the Department of Mechanical Engineering, Faculty of Engineering</td>
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## HKU Technology Spinoffs

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<tr>
<td>Flectrode Limited</td>
<td>IT &amp; Engineering</td>
<td>development of highly efficient solar cell</td>
<td>Professor from the Department of Mechanical Engineering, Faculty of Engineering</td>
</tr>
<tr>
<td>Hactis Limited</td>
<td>IT &amp; Engineering</td>
<td>VR technology for training and education</td>
<td>Professor from the Department of Industrial and Manufacturing Systems Engineering, Faculty of Engineering</td>
</tr>
<tr>
<td>ImmunoDiagnostics Limited</td>
<td>Biotech</td>
<td>Provision of immunology and diagnostic solutions</td>
<td>Professor from the Department of Pharmacology and Pharmacy, LKS Faculty of Medicine</td>
</tr>
<tr>
<td>SkinData Limited</td>
<td>Biotech</td>
<td>Development of skin whitening products</td>
<td>Professor from the School of Biological Science, Faculty of Science</td>
</tr>
<tr>
<td>LifeSpan Limited</td>
<td>Biotech</td>
<td>Development of medical implants</td>
<td>Professor from the Department of Orthopedics and Traumatology, LKS Faculty of Medicine</td>
</tr>
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</table>
Focus and Priorities

(a) Start-up using inventions and technologies developed by HKU.

(b) Start-up using inventions and technologies developed jointly between HKU and its collaborators.

(c) Start-up based on technology developed by students or alumni (within 3 years of graduation) during their course of study at the University as part of their curriculum (e.g. Final Year projects, research projects). The application team must have the right to commercialize the relevant technology.

(d) Technology innovations by staff or students resulting from employment or studies at HKU, with a significant ‘knowledge’ and ‘technology’ component.
Intellectual Property Rights

- The awardee company shall own all the intellectual property rights it creates using the TSSSU@HKU funding unless otherwise specified by alternative agreements.

- Use of any inventions or technologies of HKU should be governed by pre-agreed licenses with HKU.

- If you do NOT use any background intellectual property of HKU, you must declare that in your application.

- Consult TTO if in doubt.
Funding Scope & Duration (1)

1. Essential items for setting up and operating the technology start-ups (e.g. furniture and equipment, legal and accounting services, rental of necessary and suitable premises, manpower etc.).

2. R&D expenditure (e.g. manpower, equipment, other direct costs, etc.).

3. Promotion of the technology start-ups and marketing of their project deliverables.

4. 50% can be spent outside Hong Kong
Funding Scope & Duration (2)

6. HKU **will not** take any equity unless otherwise agreed.

7. Awardee **must be a start-up** (within 2 years) company by *Eligible Applicant*

8. Manpower remuneration limits (max):
   - HK$10,000/month – non-degree
   - HK$15,000/month – Bachelor
   - HK$20,000/month – Master or above

9. Award **MUST be spent** within each financial year

10. Continued funding for the 2\textsuperscript{nd} or the 3\textsuperscript{rd} year requires application again each year (3\textsuperscript{rd} year will fall into the next triennium)
Eligibility

An *Eligible Applicant* must be from one of the following:

a) current full-time professoriate staff of HKU;
b) current full-time or part-time students of HKU;
c) graduate of HKU for no more than 3 years as of the announced *Cut-off Date* of each application year (1 February 2018).

The application for TSSSU@HKU must be made by a team ("the Team") (i.e. more than one person), comprising at least one *Eligible Applicant*. The *Team* forming the technology start-up may have any mix of the following members of the University –

a) undergraduate / graduate / postgraduate students;
b) professor(s) to serve as consultant(s), providing technical expertise and direction of the R&D work; and/or
c) business savvy university alumni, giving business and management advice, etc.

The *Team* should **collectively hold more than 50%** of the shares in the company. For the avoidance of doubt, any person not associated with HKU cannot be part of the *Team* (but of course can be shareholders, investors or even founders of the company).
The *Team* required a member as the *person-in-charge* who should preferably be an *Eligible Applicant* significantly engaged in the technology start-up’s business and be responsible for:

a) overseeing the operations of the technology start-up;
b) liaising with HKU on matters relating to the funding support under TSSSU@HKU.

Note: the appointed person-in-charge cannot concurrently join other active teams funded by TSSSU
Application Procedures

2. Make sure appropriate IP licenses are available (if not, negotiate quickly).
3. Make sure you have clear budget, and if additional funding available, this will be an advantage.
4. Submit proposal/application to TTO by November 30 2017, 5:00 pm HKT.
5. Register the company before November 30 2017.
Assessment and Selection

A Selection Panel from HKU will be set up to assess the applications using the following criteria:

a) the quality of the business plan (10%);

b) the innovation and technology content (20%);

c) the commercial viability of the business (25%);

d) the capability of the technology start-up and its team to undertake the R&D work and manage the company (20%);

e) the social and/or community impact of the technology start-up’s business and R&D work (10%);

f) the potential of attracting additional investment to develop the technology and the company (10%), and

g) other considerations on the overall application (5%).
Disbursement, Reimbursement and Audit

1. As TSSSU@HKU award is reimbursement by Government, the award is a “Cash Advancement” to Awardees.

2. The Advancement is considered fully paid by government once we obtain the reimbursement.

3. Awardees have to agree with the terms of the Government, provide the necessary interim and annual reports, and conduct the audit according to the requirements of the Government.
Monitoring and Review

1. The University is required to provide mentorship and monitoring of all TSSSU@HKU Awardees (we need to provide comments on the report).
2. Half-year progress report, and annual report would be needed.
3. The University is required to comment on whether the milestones are reached as part of the review.
Change in Business Plan

Substantial change in business plan or the financial plan:

- Key members
- Deliverables
- Milestones
- Budget spending ..., etc

require prior written approval (otherwise you would have problems during audit)
Timeline

Call for Applications TSSSU@HKU September 4, 2017
Closing (internal – 5:00 pm) November 30, 2017
Recommended List to ITC (cut-off date) February 1, 2018
Announcement of Results ~ April 1, 2018
Spending Period Date of announcement – March 31, 2019
Interim Report October 15, 2018
Annual Report May 31, 2019
Audit Report June 30, 2019
Q&A